

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

BALLY MANUFACTURING CORPORATION, )  
Plaintiff, ) CIVIL ACTION  
v. ) NO. 78 C 2246  
D. GOTTLIEB & CO., )  
WILLIAMS ELECTRONICS, INC. and )  
ROCKWELL INTERNATIONAL CORPORATION, )  
Defendants. )

FILED

NOTICE OF MOTION

JUL 14 1982

TO: Donald L. Welsh  
Fitch, Even, Tabin,  
Flannery & Welsh  
135 S. LaSalle Street  
Chicago, Illinois 60603

H. STUART CUNNINGHAM  
CLERK, U. S. DISTRICT COURT

PLEASE TAKE NOTICE that on Wednesday, July 14, 1982,  
at 2:00 p.m. , or as soon thereafter as counsel may be heard,  
the undersigned shall appear before the Honorable John F.  
Grady, or any judge sitting in his stead, in the courtroom  
usually occupied by him at 219 South Dearborn Street, Chicago,  
Illinois, and then and there present the attached MOTION FOR  
LEAVE TO TAKE ADDITIONAL DISCOVERY.

  
\_\_\_\_\_  
Melvin M. Goldenberg  
William T. Rifkin  
McDougall, Hersh & Scott  
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(312) 346-0338

Attorneys for Defendant  
Williams Electronics, Inc.

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

BALLY MANUFACTURING CORPORATION,                 )  
  )  
Plaintiff,    )  
  )  
v.    )  
  )  
D. GOTTLIEB & CO.,                                )  
WILLIAMS ELECTRONICS, INC. and                    )  
ROCKWELL INTERNATIONAL CORPORATION,                )  
  )  
Defendants.    )

CIVIL ACTION

NO. 78 C 2246

MOTION FOR LEAVE TO TAKE ADDITIONAL DISCOVERY

The defendants herein move this Court for entry of an order permitting them to take discovery depositions of one or more of the following individuals: Charles Litton, Larry Litton, Lloyd Warman, Gregory Cox, Michael Rogers, Larry Netz, and possibly one or two additional persons as set forth more fully hereafter.

The purpose of this request will be apparent from the following summary of Patent Office proceedings since the application to reissue the patent in suit was "finally" rejected by the Patent Office on February 2, 1982. Following entry of the final rejection reissue applicant (plaintiff herein) filed several hundred pages of additional arguments

and exhibit books in an attempt to persuade the Examiner to reconsider his final rejection. The exhibit books contained numerous declarations obtained by plaintiff's attorneys, including those of Charles Litton, Larry Litton, Gregory Cox, Michael Rogers, William Engelhart and Professor Irving Kayton.

Bally, of course, seeks to convince the Examiner that he was in error in making the final rejection and, more particularly, seeks to overcome the finding that the work of Atari was a prior invention by another within the meaning of 35 USC §102(g) since Atari reduced the invention to practice prior to the patentees and it did not abandon, suppress or conceal this prior work.

Responsive to the Bally submissions, the Patent Office requested additional information concerning the statements made in the various declarations. More specifically, the Examiner responded to the submissions by pointing out that many of the declarations were (1) unclear or (2) based on hearsay or (3) failed to establish the points for which they were cited by Bally. The Examiner, therefore, requested further information concerning the prior Atari invention. A copy of the Examiner's request is attached to this Motion as Exhibit A.

Responsive to this request Bally submitted a 57 page response along with an exhibit book containing additional declarations of Charles Litton, Larry Litton, Lloyd Warman, Gregory Cox, Michael Rogers, and Larry Netz by which Bally attempts to rectify the shortcomings of the prior declarations.

In view of the full scale assault on the Examiner being mounted by plaintiff, protestors feel compelled to provide the Patent Office and this Court, if necessary, with a complete view of the evidence available concerning the prior invention by Atari. On June 30, 1982, Williams filed a request with the Group Director of the art unit which is handling the reissue application requesting a period of 45 days in which to subject the declarants to cross-examination to determine the reliability and true nature of the various declarations and to otherwise respond to the Bally submissions. A copy of this request is attached as Exhibit B.

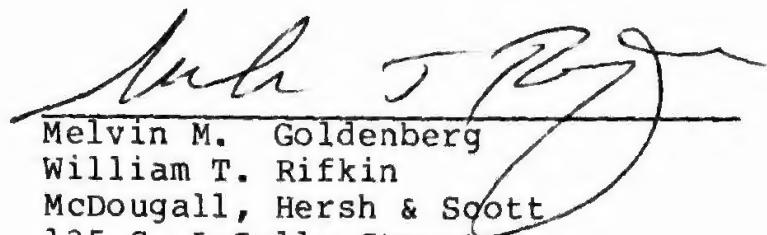
On July 9, 1982, Mr. Richard E. Aegeuter, Group Director for Group 330, acted on the Williams request and granted protestors (the defendants herein) a period of one month to file a supplemental response. A copy of the decision

is attached hereto as Exhibit C. In granting the request the Group Director stated, in part:

"In view of the fact ... that the examiner should have all pertinent informational material before him to make an appropriate decision, the protestor is granted one month extension of time from the date of this decision to file his supplemental response."

A long and protracted reissue proceeding in the Patent Office is now winding down to a final conclusion. The Patent Office still requires additional information. Bally, as usual, has provided ex parte declarations prepared, in some instances, in the handwriting of its attorneys. By this Motion Williams and its co-defendants seek leave of this Court to reopen discovery for the purpose of deposing one or more of the declarants and possibly one or two additional persons who may have knowledge concerning the events which occurred in the May-December 1974 time frame at Atari. The Patent Office has indicated that it is desirable for the Examiner to have such information. Depositions noticed in the present litigation are believed to be the most appropriate way of obtaining this information and, of course, at the same time making the information available for use in this proceeding should that be necessary.

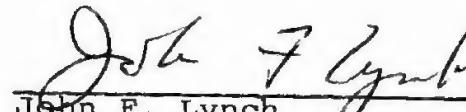
Accordingly, defendants request that discovery be reopened for an additional period for the purposes set forth herein.



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July 12, 1982

6/17/82

**R E C E I V E D**

MAILED

Applicants: David J. Nutting  
Jeffrey E. Frederiksen

Serial No.: 936,784 McDougall, Hersh &amp; Scott

Filed: August 25, 1978 135 SOUTH LA SALLE STREET  
CHICAGO, ILLINOIS 60603For: PLAYER OPERATED  
GAME APPARATUS

MAY 17 1982

GROUP 330

This communication is a request for additional information in regard to Reissue Applicants' responses, Paper Nos. 118 and 121, under 37 CFR 1.175(b). The examiner acknowledges receipt of Paper Nos. 119 and 120 from protestors as well as Protective Order materials under seal. Applicant is being advised that further action is being suspended for only one month until Reissue applicant supplies the necessary information.

Declarations have been submitted as attachments to Paper No. 118 in order to clarify the factual record. Statements appearing therein should be that of facts, MPEP 715-716. In the Charles Litton declaration, under paragraph 3, it is not clear whether he was specifically told about Cyan's secrecy policy.

Art Unit 334

At present this paragraph could be construed as being based on hearsay. As to paragraph 5, Charles Litton's lack of recollection does not absolutely prove that he was not in attendance at the open house, only that he did not remember being there. In paragraph 6, declarant indicates that he observed people play at Eigen an El Toro pinball machine. However, it is not clear whether the "people" referred to in this paragraph were all Eigen personnel and if they were, then, how did he know that they were Eigen personnel? Also of question is how declarant could place the observation period as 1973, why not 1974 during the open house? Moreover, how did he know that the El Toro pinball being played was electromechanical when in fact the microprocessor based system employed solenoids as well, unless, of course, declarant was aware of the fact that the microprocessor based El Toro was externally cabled to the El Toro machine. Of note is the fact that testimony exists indicating that a person could not otherwise tell the difference between the two games except by the way that the game actually played.

Art Unit 334

Thus this portion of declarant's testimony is considered to be an assumption on his part absent factual evidence to the contrary. In paragraph 7, it is not clear whether the observed parts were for the El Toro or for other amusement games being developed by Atari/Cyan not related to the El Toro pinball project.

In regard to Larry Litton's declaration, it is not clear whether declarant's firm, Litton Engineering was involved in the El Toro pinball project; note paragraphs 6 and 10.

With respect to Gregory Cox's declaration, it is not clear whether declarant knew the named individuals by sight prior to the open house. If not, then his statement set forth in paragraph 2 would not carry any weight.

In paragraph 10 of Rogers' declaration, who were his superiors? Was Steven Mayer his superior and did he tell Rogers of the company policy on secrecy? Moreover, did Cyan's secrecy policy extend to the immediate relatives of Cyan's employee's? This matter is of some importance since the Gilman case, 46

Art Unit 334

USPQ 430, 433, indicates that the wife of Haas was "sworn to secrecy".

Applicant is also being given the opportunity to further elaborate upon the obviousness issue being raised by protestors (Paper No. 119) involving the references of Burnside, Durant, MCS-4 User's Manual and the Electronics articles of March 1, 1973 and March 21, 1974. In particular, the relevance or non-relevance of the Burnside and Durant patents as viewed by applicants, i.e. how specifically the claims distinguish over these two teachings and the combination of these two references with the above named showings. The examiner has viewed Reissue applicants' statements on pages 15-20 of Paper No. 118 but reserves final comments pending a clarification of applicants' position in regard to the above named prior art.

The period for response to this letter of inquiry will expire ONE MONTH (1) from the mailing date of this letter.

Art Unit 334

Any replies to the examiner's queries, supra, by either applicants or protestor(s) must be HAND DELIVERED to the Office of the Group Director (Group 330) on or before ONE MONTH (1) from the mailing date of this letter.

IN VIEW OF CIRCUMSTANCES SURROUNDING THIS CASE, NO FURTHER EXTENSION OF TIME should be contemplated or requested in order to expedite prosecution of this case.

V.H. by RGP

V. Hum:ch  
703-557-3137  
5/17/82

*Richard Pinkham*

RICHARD C. PINKHAM

EXAMINER

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Reissue applicant's response to the Examiner's Request for Additional Information was filed in the Patent Office on or about June 24, 1982. This response, following the usual pattern, includes no less than six new ex parte affidavits or declarations prepared by one of applicant's attorneys for signature by a third party witness. (Note that two of the declarations are in the hand writing of one of applicant's attorneys.)

As protestors have maintained before the Patent Office and the Chicago Court on each occasion when such ex parte affidavits have been filed, the only way to measure the reliability of such "evidence" is to permit protestors a reasonable opportunity to take the depositions, if necessary, of the affiants or of others who have information material to the issues now before the Examiner. By providing the protestors with an opportunity to examine (and reissue applicant to re-examine), the PTO and the Court will have the benefit of evidence tested by the high standards of an adversary proceeding.

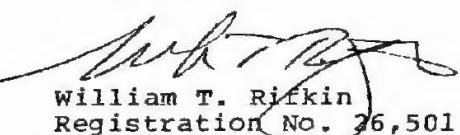
It is recognized by all concerned that this reissue proceeding has been going on for a very long time and that there must be an end. As the matter now stands however, the Examiner has issued a final rejection. Reissue applicant has attempted to demonstrate that the Atari open house was secret and, therefore, Atari abandoned, suppressed or concealed its prior invention. Reissue protestors seek a brief additional time period (45 days) to obtain and submit depositions, affidavits and/or other evidence on this single issue.

Such evidence will certainly be of value to the Patent Office since it is directed to the inquiry made by the Examiner in his Request for Additional Information. Furthermore, protestors could not have effectively gathered this information prior to seeing applicant's response to the Request for Information for it was impossible to know in what respects applicant would challenge the basis of the Examiner's final rejection.

Accordingly, protestor, Williams Electronics, Inc., hereby requests that the PTO set a period of 45 days in which protestor may obtain and submit to the PTO additional evidence on the single issue of abandonment, suppression and concealment within the meaning of 35 U.S.C. §102(g).

A copy of this paper is being hand delivered to applicant's attorney on July 1, 1982.

Respectfully submitted,



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Attorneys for Protestor  
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June 30, 1982

JUL 9 1982

Address Washington, D.C. 20231

Director's Office  
Group 330

PAPER NO. 129

In re Application of:  
David J. Nutting et al  
Serial Number: 05/936,784  
Filed: August 25, 1978  
FOR: PLAYER OPERATED GAME  
APPARATUS

8/9/82  
DECISION ON REQUEST  
FOR EXTENSION  
OF TIME

This is a decision on protestor's, Williams Electronics Inc., request filed July 1, 1982 for an extension of time to supplement protestor's response to the request for additional information mailed June 17, 1982.

In a communication filed July 8, 1982, reissue applicants vigorously opposed the request and set forth in support thereof, in essences, that the protestor has already had sufficient time to take depositions of the declarants and submit the information to the PTO if he had diligently made an effort to do so.

The need for additional time is based on protestor's contention that the protestor could not have effectively gathered the information material to the issues before the examiner prior to seeing applicants' response to the Request for Information, for it was impossible to know in what respects applicants would challenge the basis of the examiner's final rejection.

Decision

In view of the fact that not all of the arguments alleged by the protestor or the applicants were fully persuasive; that the proceedings in this application have been continuing for more than three and one-half years; and that the examiner should have all pertinent informational material before him to make an appropriate decision, the protestor is granted one month extension of time from the date of this decision to file his supplemental response. The applicants are also granted two weeks comment period from the date of protestor's notice of service upon the applicants.

In summary, the request is granted to the extent indicated above.

*Richard E. Aegerter*  
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Director, Group 330

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Addendum

Protestor's response and applicants' comments must be hand-delivered to the Office of the Group Director of the Patent Examining Group 330. No further extension of time will be granted except for a showing of compelling and justifying circumstances why the extension is needed.

  
Richard E. Aegerter  
Director, Group 330

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: David J. Nutting )  
Jeffrey E. Frederiksen ) Group Art Unit 334  
Serial No.: 936,784 )  
Filed: August 25, 1978 ) Attention:  
For: PLAYER OPERATED ) Group Director  
GAME APPARATUS ) Richard Aegerter  
Reissue of U.S. Patent 4,093,232 )  
Issued: June 6, 1978 )  
                                ) REISSUE LITIGATION

REQUEST FOR EXTENSION OF TIME TO SUPPLEMENT  
PROTESTOR'S RESPONSE TO THE REQUEST FOR  
ADDITIONAL INFORMATION MAILED JUNE 17, 1982

Hon. Commissioner of Patents  
and Trademarks  
Washington, D.C. 20231

Sir:

Protestor, Williams Electronics, Inc., through its attorneys, hereby respectfully requests an extension of time to supplement its response to the Examiner's Request for Additional Information mailed May 17, 1982. This request is consistent with the position stated in its preliminary response mailed to the Patent Office on June 17, 1982.

As Williams indicated in that response, throughout these reissue proceedings the reissue applicant, Bally Manufacturing Corporation, has consistently filed additional "evidence" in the form of ex parte affidavits each time the Patent Office has rejected on the claims in issue. In each case protestors have been permitted, by the Patent Office and by the Chicago District Court, to subject the affiants to cross-examination in an effort to determine the reliability and true nature of the affidavits. In each case this procedure has resulted in significant additional information of value to the PTO in determining the patentability of the claims in issue.